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May 10, 2006

**VIA FEDERAL EXPRESS**

The Honorable Charles L.A. Terreni  
Chief Clerk  
South Carolina Public Service Commission  
101 Executive Center Drive  
Columbia, SC 29210

**Re:    *Intrastate Universal Service Fund (Docket No. 1997-239-C)***

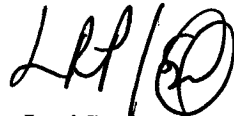
Dear Mr. Terreni:

Enclosed for filing please find the original and sixteen (16) copies of the "Answer of Sprint Communications Company, L.P. Regarding the ORS' Petition for an Order Clarifying USF Guidelines and Request for Expedited Relief and the South Carolina Cable Television Association's Petition" in the above referenced matter. Please return a date-stamped copy to me in the postage prepaid envelope provided. All parties of record have been served pursuant to the Certificate of Service also attached hereto.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

WOMBLE CARLYLE SANDRIDGE & RICE,  
*a Professional Limited Liability Company*



Lori Reese Patton

LRP/sfh

Enclosures

cc:     William R. Atkinson

**BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 1997-239-C**

**IN RE:**

**INTRASTATE UNIVERSAL SERVICE  
FUND**

**ANSWER OF SPRINT  
COMMUNICATIONS COMPANY, L.P.  
REGARDING THE ORS' PETITION FOR  
AN ORDER CLARIFYING USF  
GUIDELINES AND REQUEST FOR  
EXPEDITED RELIEF AND THE SOUTH  
CAROLINA CABLE TELEVISION  
ASSOCIATION'S PETITION**

**INTRODUCTION**

Pursuant to R. 103-837 and R.103-841 of the Commission's Rules of Practice and Procedure and S.C. Rules of Civil Procedure, Sprint Communications Company, L.P. ("Sprint") submits this Answer in response to the Petition of the Office of Regulatory Staff ("ORS") for an Order Clarifying the Universal Service Fund ("USF") Guidelines for South Carolina ("ORS Petition") and the South Carolina Cable Television Association's Petition in Support of the ORS Petition and to Raise Additional Issues ("SCCTA Petition"), both of which were served upon Sprint on April 20, 2006 .

ORS seeks clarification of certain issues that may affect the administration of the USF and that will impact any adjustments to the USF. Specifically, the ORS seeks clarification of the following issues based upon current Commission directives and state law:

1. Whether international calls should be included in the Fund assessment;
2. Whether revenues from broadband and wireless services revenues should be included in the Fund assessment;
3. Whether directory listings, Federal USF surcharges, and special access charges to end users should be included in the Fund assessment;
4. Whether the Lifeline surcharge should be collected on services provided to a Lifeline customer that exceeds the Lifeline credit for purposes of uniformity and to ensure nondiscriminatory treatment; and

5. Whether the ORS has authority to write off bad debts and therefore to remove the corresponding amount from accounts receivables.

### **SPRINT'S POSITION**

Sprint supports the ORS request for Declaratory Order on the five issues as specifically stated in its Petition which require immediate decision-making by the Commission. In addition, Sprint concurs and supports the Motion of the Office of Regulatory Staff for Expedited Review ( "ORS Motion" ), filed April 19, 2006, which states that the SCCTA Petition should not be combined as a part of the ORS Petition. The SCCTA Petition seeks to raise additional issues that would require the Commission to reconsider or revise existing decisions as to the level and degree of services that should be contributing to the Fund. SCCTA's requested changes to Commission policy on various issues concerning the Fund, should the Commission choose to address them at all, would be better served if handled as a separate matter, apart from and unrelated to the ORS Petition. For example, the ORS Petition indicates that the Commission has not yet determined that wireless services should be included in the Fund assessment and that ORS does not seek to raise the policy issue of whether wireless revenues should be assessed intrastate USF contributions. As noted in the Legislative Audit Council's February 2005 *Review of the South Carolina Universal Service Fund*, ("LAC 2005 Report"), South Carolina does not require wireless carriers to contribute to the USF. Conversely, in its Petition, the SCCTA proactively advocates that the Commission change its current policy and require wireless carriers to contribute to the USF. See SCCTA Petition, at 4 ("In order to fairly allocate the cost of universal service to include an increasing wireless penetration into South Carolina, the Commission should require wireless providers to contribute to the fund.")

### **CONCLUSION**

Sprint supports the ORS request for Declaratory Order on the five issues as specifically stated in its Petition, and as reiterated above, which require immediate decision-making by the Commission. In addition, Sprint concurs and supports the ORS Motion, filed April 19, 2006, which states that the SCCTA Petition should not be combined as a part of the ORS Petition. The SCCTA Petition is a separate matter which would require a completely separate notice and

hearing. Accordingly, the well-defined issues for clarification which were included in the ORS Petition and subsequent ORS Motion should be addressed by the Commission through a Declaratory Order narrowly focused on the requests made by the ORS.

DATED this 10 day of May, 2006.

A handwritten signature in black ink, appearing to read "Lori R. Patton", written over a horizontal line.

Lori R. Patton, Esq.

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on May 10, 2006, a copy of the attached *Answer of Sprint Communications Company, L.P.* was mailed by first-class mail, proper postage affixed, addressed to the person hereinafter named, at the place and address(es) stated below, which are the last known address(es):

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A handwritten signature in black ink, appearing to read "Lori R. Patton", written over a horizontal line.

Lori R. Patton, Esq.